

**ORDINANCE NO. \_\_\_\_\_, SERIES 2014**

**AN ORDINANCE AMENDING THE UNIVERSITY OF LOUISVILLE DEVELOPMENT AREA (THE "DEVELOPMENT AREA"), AS ADOPTED BY ORDINANCE NO. 199, SERIES 2010, TO AMEND THE BOUNDARIES OF THE DEVELOPMENT AREA, TO ADOPT AN ADDENDUM FOR THE DEVELOPMENT PLAN FOR THE DEVELOPMENT AREA, AMENDING THE LOCAL PARTICIPATION AGREEMENT FOR THE DEVELOPMENT AREA, AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY OTHER DOCUMENTS AND THE TAKING OF ANY OTHER ACTIONS NECESSARY TO ACCOMPLISH THE PURPOSES AUTHORIZED BY THIS ORDINANCE.**

**SPONSORED BY: Councilwoman Butler**

**WHEREAS**, the Council established the University of Louisville Development Area (the "Development Area"), through the adoption of Ordinance No. 199, Series 2010 (the "Development Area Ordinance") pursuant to the provisions of KRS 65.7041- 65.7083 and KRS 154-30.010-154-30.090 (the "Act"); and

**WHEREAS**, subsequent to the establishment of the Development Area the Louisville Medical Center Development Corporation ("LMCDC"), the Agency designated in the Development Area Ordinance, applied for and received a pledge of state incremental tax revenues as permitted by the Act to support the University of Louisville Research Park Project (the "Project") as a 'Signature Project' as defined by the Act;); and

**WHEREAS**, there is a need to amend the Development Area to delete certain areas (the "Deleted Area") and add certain areas (the "Added Area") from the boundaries of the Development Area (the "Revised Development Area", and to amend the footprint of the Project; and

**WHEREAS**, in accordance with the provisions of the Act an Addendum to the Development Plan for the Development Area, attached hereto as Exhibit A (the "Addendum") for the Revised Development Area has been prepared and a public hearing has been conducted to seek public comment on the Addendum.

**WHEREAS**, the Council finds that the Revised Development Area as illustrated on Exhibit "B" attached hereto, which shows the Deleted Area and the Added Area, is an area in need of public improvement and the Project to be undertaken in the Development Area by LMCDC will result in the increase in the value of property located in the Revised Development Area and will result in increased employment within the Development Area; and

**WHEREAS**, Louisville is authorized under the Act to amend the Development Area and provided in this Ordinance and to execute an amended local participation agreement with an agency in acknowledgement of benefits to be derived by Louisville within a development area in order to promote the public purpose of Louisville; and

**WHEREAS**, LMCDC is organized and incorporated as a non-profit corporation and is located within Louisville; and

**WHEREAS**, Louisville desires to assist LMCDC with the costs of the Project and agrees to amend the Local Participation Agreement in accordance with the provisions of this Ordinance in order to pay to LMCDC the Released Amount from the Revised Development Area for use solely for purposes of the Project.

**BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:**

**Section 1.** That the Council finds as follows:

- A. All statements of fact set forth in the recitals to this Ordinance are found true and correct and are incorporated herein by reference.
- B. The establishment of the Revised Development Area shall not cause the assessed value of taxable real estate in all development areas located in Louisville to exceed 20% of the assessed value of all taxable real property in Louisville. The Council has adopted numerous development areas under the Act and the taxable real property value of the those development areas are under \$1.5 billion, while the total tax real property value for Louisville exceeds \$51 billion. Establishing the Revised Development Area will only add approximately \$17.6 million to the taxable real property value to the Revised Development Area.
- C. As supported by the data and findings contained in the Addendum to the Development Plan, attached hereto as Exhibit A, which is hereby adopted by the Council:
  1. The Added Area will not reasonably be developed without public assistance; and
  2. The public benefits to be derived by the Project justify the public costs to Louisville; and
  3. The area immediately surrounding the Revised Development Area has not been subject to the expected growth and development through investment by private enterprise.

4. The Revised Development Area is less than 3 square miles with the actual size being 865.3 acres.
5. There has been a substantial loss of industrial, commercial, and residential activity with the Added Area. The Added Area consists of a mix of old industrial, commercial and residential uses. The area is in transition and many of the businesses and residences are vacant or abandoned. The residential uses are transitioning from owner occupied to rental.
6. More than 50% of the structures within the Added Area are deteriorating or deteriorated. The structures within the area are old and most exhibit signs of deterioration.
7. More than 40% of the households within the Added Area are low income as defined by the Act based on the Census data for the area.
8. There are a significant number of abandoned and vacant structures within the Added Area.
9. Infrastructure within the Added Area is deteriorated and there is a need for new infrastructure to support the redevelopment of the Added Area and the Project.

**Section 2.** That the boundaries of the University of Louisville Development Area, is amended to be the boundaries of the Revised Development Area as illustrated in Exhibit B as of the effective date of this Ordinance; provided, however that nothing contained in this Ordinance shall change the Commencement Date, Activation Date or Termination Date as set forth in the Development Area Ordinance.

**Section 3.** That the Mayor is authorized to negotiate and amend the Local Participation Agreement with LMCDL for the release to LMCDL of a portion of the new occupational license fees and new real estate taxes expected to be derived by Louisville from the Project to be constructed in the Revised Development Area and Footprint for the Project ("Released Amount") in accordance with the map of the Revised Development Area attached as Exhibit B; provided that nothing herein shall be considered to amend or extend the Commencement Date or Termination Date set forth in the Development Area Ordinance.

**Section 4.** That the Mayor and other appropriate Louisville officials, and each of them, for and on behalf of Louisville, are hereby authorized, empowered and directed to do and perform any and all things necessary to effect the execution of any required amendments to the Local Participation Agreement, the performance of all obligations of Louisville under and pursuant to the Local Participation

Agreement, as it may be amended and related documents, and the performance of all other actions of whatever nature necessary to effect and carry out the authority conferred by this Ordinance and the Local Participation Agreement, as amended. The Mayor and other appropriate Louisville officials, and each of them, is hereby further authorized, empowered and directed for and on behalf of Louisville to execute all papers, letter, documents, undertakings, certificates, assignments, forms, instruments and closing papers that may be required for the carrying out and effectuation of the authority conferred by and for the purposes of this Ordinance and the Local Participation Agreement, as amended, or to evidence said authority and purposes, and to exercise and otherwise take all action necessary to the full realization of the rights and purposes of Louisville under the Local Participation Agreement, as amended, and related documents and to perform all of the obligations of Louisville under the Local Participation Agreement, as amended, and related documents.

**Section 5.** This Ordinance shall take effect immediately upon adoption and publication according to law.

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H. Stephen Ott  
Metro Council Clerk

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Jim King  
President of the Council

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Greg Fischer  
Mayor

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Approval Date

**APPROVED AS TO FORM AND LEGALITY:**

Michael J. O'Connell  
Jefferson County Attorney

By: \_\_\_\_\_

## **Exhibits**

- A. Addendum to Development Plan
- B. Map of Revised Development Area